

Iton Cables Limited

AN ISO 9002 COMPANY

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**ANNUAL REPORT
2000-2001**

Delton Cables Limited**BOARD OF DIRECTOR**

RAM KUMAR GUPTA
(Chairman & Managing Director)

V.K. GUPTA
(Managing Director)

VIJAY KUMAR GOEL

M.P. MEHROTRA

A. KARATI

RAVINDER NARAIN

L.B. RUNGTA

A.B. GERSAPPE

VIVEK GUPTA
(Executive Director)

ANIL KUMAR JAIN
(Whole Time Director)

COMPANY SECRETARY

B.K. SHARMA

BANKERS

CANARA BANK

STATE BANK OF BIKANER & JAIPUR

PUNJAB NATIONAL BANK

AUDITORS

S.R. DONODIA & CO.
Chartered Accountants
C-37, Connaught Place,
New Delhi - 110 001

REGISTERED & HEAD OFFICE

Delton House,
4801, Bharat Ram Road,
24, Darya Ganj
New Delhi - 110 002
Phones : 011-3273905-07
Fax : 011-3280375, 3272178
Email : delton_india@vsnl.com
delton@ndb.vsnl.net.in
Web Site : www.deltoncables.com

BRANCH OFFICE**MUMBAI**

83-B, Dr. Annie Besant Road,
Near Worli Naka
Mumbai-400 018
Phones : 022-4935178, 4936014
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Email : dclbby@bom4.vsnl.net.in

CALCUTTA

Flat No. 1, 6th Floor,
'Shantiniketan',
8, Camac Street,
Calcutta-700 017
Phone : 033-2824388, 2824153
Fax : 033-2824330, 2824153
Email : dclcal@cal2.vsnl.net.in

CHENNAI

59, Montieh Road
1st Floor, 'Asha Mansion',
Egmore,
Chennai-600 008
Phone : 044-8587702
Fax : 044-8592608
Email : dclmad@giasmd01.vsnl.net.in

BANGALORE

3rd Floor, Maruthi Mansion,
19/7, Cunningham Road,
Bangalore-560052
Phone : 080-2263934, 2287151
Fax : 080-2253933
Email : dclblr@vsnl.com

WORKS**FARIDABAD**

17/4, Mathura Road,
Faridabad, Haryana,
Phone : 915-288222, 288225 (Std Code 0129)
Fax : 915-288220

NEW DELHI

24, Shivaji Marg,
New Delhi-110015
Phones : 011-5931280, 5436753
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DHARUHERA

70th Milestone,
Delhi-Jaipur Highway,
Village-Malpura,
Dharuhera,
District-Rewari, Haryana
Phones : 01274-42229, 42296
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CONTENTS

Notice	2
Directors' Report	4
Auditors' Report	6
Balance Sheet	8
Profit & Loss Account	9
Schedules	10
Notes to Accounts	17
Cash Flow Statement	20
Balance Sheet Abstract & Company's General Business Profile	21

Delton Cables Limited**NOTICE**

NOTICE IS HEREBY GIVEN that the Thirty Sixth Annual General Meeting of the Members of Delton Cables Limited will be held on Friday, the 28th September, 2001 at 1000 Hours at Delton Hall, I.E.T.E 2, Institutional Area, Lodi Road, New Delhi-110 003, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2001 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare Dividend for the year ended 31st March 2001.
3. To appoint a Director in place of Shri A. Karati, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri M. P. Mehrotra, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint the Auditors and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, Sh. V. K. Gupta, be and is hereby re-appointed as the Managing Director of the company for a period of five years, w.e.f. 01.06.2001 on the following remuneration:

Basic Salary : Rs. 85,000/- (Rupees Eighty five thousand only) per month.

Rent-free Accommodation : The Rent-free accommodation shall be provided by the company of which the rent shall not exceed a sum of Rs. 15,000/- (Rupees fifteen thousand only) per month.

Perquisites : The perquisites shall be restricted to a sum of Rs. 1,15,750/- per annum which includes Medical, LTA, Club Fees, Electricity & Gas.

Provident Fund : The employer's contribution to the provident fund @ 12% of the Basic salary.

Gratuity : Gratuity will be payable @ 15 days salary for every completed year of service.

Superannuation : Superannuation is payable as per Company rules.

"FURTHER RESOLVED THAT in case of loss or inadequacy of profits in any financial year, the remuneration will be paid in accordance with limits laid down in the Schedule XIII of the Companies Act, 1956."

7. To consider and if thought fit to pass, with or without modification(s), the following resolutions as a Special Resolution:

"RESOLVED that pursuant to the provisions of Section 31 of the Companies Act, 1956 and other applicable provisions, if any, the Articles of Association of the Company be and are hereby altered, substituted or inserted suitably in the manner enumerated below:

1. In Article 1 the existing definition of "Member" shall be substituted by the following definition:
- "Member" means the duly registered holder from time to time of the shares of the Company of any class and includes every person whose name is entered as a beneficial owner in the records of the depository, but does not include the bearer of a share warrant of the Company issued in pursuance of Section 114 of the Act.
2. A new Article 22A be inserted under the new heading after Article 22 as under:

22A. DEMATERIALISATION/REMATRIALISATION OF SECURITIES**i. Definitions:**

For the purpose of this Article:

"Beneficial Owner" means a person or persons whose name is recorded as such with a Depository;

"Depository" means a Company formed and registered under the Companies Act, 1956 and which has been granted a Certificate of Registration under the Securities & Exchange Board of India Act, 1992;

"Depositories Act" means the Depository Act, 1996 or any statutory modification(s) or re-enactment thereof;

"Registered Owner" means a Depository whose name is entered as such in the records of the Company;

"Securities" means such security as may be specified by the Securities & Exchange Board of India from time to time.

ii. Dematerialisation/Rematerialisation of Securities:

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise/rematerialise its securities and to offer securities in the dematerialised form pursuant to the Depositories Act.

iii. Options for Investors:

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed issue to the beneficial owner the required Certificate of Securities.

If a person opts to hold his/her security with a depository, the Company shall intimate such depository the details of allotment of the security and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the securities.

iv. Securities in Fungible Form:

All securities held by a Depository shall be dematerialized and shall be in fungible form. No certificate shall be issued for the securities held by the Depository. Nothing contained in Section 153, 153A, 153B, 187C and 372A of the Act shall apply to the Depository in respect of the Securities held by it on behalf of the beneficial owner.

v. Transfer of Securities:

Nothing contained in Section 108 of the Act, or the Articles shall apply to transfer of securities held in Depository.

vi. Allotment of Securities:

Where the securities are dealt within a Depository, the company shall intimate the details of allotment of relevant securities to the Depository on allotment of such securities.

vii. Service of Documents:

Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

viii. Distinctive Numbers of Securities held in a Depository:

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

ix. Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a Register and Index of members and other security holders for the purpose of the Articles.

x. Rights of Depository and Beneficial Owners:

As a registered owner, Depository shall not have any voting rights or any other rights in respect of the securities held by it. Every person whose name is entered as the beneficial owner of shares in the records of the Depository shall be deemed to be a member of the Company. Every beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities, which are held by the Depository.

Provided further that notwithstanding anything to the contrary contained in these Articles, the shares and securities issued and/or held in electronic medium in fungible form, will be governed by the provisions of the Depository Act, 1996.

3. The following Article be inserted as Article 38A under the new heading after Article 38.

38A. NOMINATION

- a) Every shareholder or debenture holder of the Company, may at any time, nominate, in the prescribed manner, a person to whom his shares in or debentures of the Company shall vest in the event of his death.

Delton Cables Limited

- b) Where the shares in, or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company as the case may be shall vest in the event of death of all the joint holders.
- c) Notwithstanding anything contained, in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of the Company, where nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the shareholder or debenture holder or, as the case may be on the death of the joint holder, become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied, cancelled in the prescribed manner.
- d) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares in or debentures of the Company, in the event of his death, during the minority.

4. The following Article be inserted as Article 38B after Article 38A:-

38B. TRANSMISSION OF SECURITIES BY NOMINEE

A nominee, upon production of such evidence as may be required by the Board and subject, as hereinafter provided, elect, either:-

- i. To be registered himself as holder of the share or debenture, as the case may be; or
- ii. To make such transfer of the shares or debenture, as the case may be, as the deceased shareholder or debenture holder, could have made;
- iii. If the nominee elects to be registered as holder of the share or debenture, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by the nominee stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder as the case may be;
- iv. A nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the share or debenture except that he shall not, before being registered as a member in respect of his share or debenture, be entitled in respect of it, to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

Registered Office
'Delton House'
4801, Bharat Ram Road,
24, Daryaganj,
New Delhi - 110 002
Dated : 28th August 2001.

By Order of the Board

B.K. SHARMA
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the time of the meeting.
3. The Register of Members and Share Transfer Books of the company shall remain closed on 28th September 2001. The dividend if declared at the Annual General Meeting will be paid to those shareholders, whose name appear in the Register of Members as on 28th September, 2001.
4. Explanatory Statement pursuant to Section 173 (2) of the Companies Act 1956 is annexed hereto.
5. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days,

between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

6. Pursuant to the provision of Section 205A of the Companies Act, 1956, as amended, dividend for the financial year ended 31st March, 1995 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March 1995 or any subsequent financial years are requested to make their claim to Ms. Mayura Jain, Asstt. Company Secretary, Delton Cables Limited, 4801, Bharat Ram Road, 24 Daryaganj, New Delhi-110 002. It may also be noted that once the unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof.
7. Members are requested to:
 - i. Intimate the company regarding any change in the addresses or mandates.
 - ii. Approach the company for consolidation of folios, if shares are held in multiple folios.
 - iii. Furnish Bank Account details for avoidance of instance of fraudulent encashment of dividend warrants.
 - iv. Bring their attendance slip alongwith copy of Annual Report at the Annual General Meeting.
 - v. Send their queries, if any, relating to the Accounts of the company at least 10 days before the Annual General Meeting.

ANNEXURE TO NOTICE

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956.

ITEM NO.6

Shri V.K. Gupta was re-appointed as the Managing Director of the Company by the Board of Directors, for a period of five years w.e.f. 1st June 2001. The terms and conditions of the re-appointment are set out in the resolution given in the notice. The remuneration as mentioned in the Resolution is within the limit as laid down in the Schedule-XIII to the Companies Act, 1956.

Keeping in view the knowledge, experience, qualification and long association of Shri V.K. Gupta with the company, your Directors propose the resolution for your approval.

Except Shri R.K. Gupta, Shri V.K. Gupta and Shri Vivek Gupta, none of the other Directors of the company is in any way interested or concerned in the accompanying resolution.

The resolution given in the notice may be treated as the abstract of the terms of appointment of Shri V.K. Gupta as the Managing Director of the company under Section 302 of the Companies Act, 1956.

ITEM NO.7

With the introduction of the Depositories Act, 1996, and the Depository system some of the provisions of the Companies Act, 1956, relating to issue, holding, transfer and transmission of shares and other securities have been amended to facilitate implementation of the new system.

Further, by the Companies (Amendment) Act, 1999 the holders of security of the Company have been given an option to nominate a person to whom the rights of security holders of the Company shall vest in the event of his/her death. It is desirable to include such nomination provisions in the Article of Association of the Company.

It is proposed to amend the Articles of Association of the Company suitably to incorporate therein necessary provisions relating to the depository system and to include the new provisions relating to the nomination.

None of the directors is in any way concerned or interested in the resolution.

The Board of Directors recommend the passing of the Resolution as a special resolution.

A copy of the Articles of Association of the Company together with the proposed alterations is available for inspection by the members of the Company at its registered office between 11.00 A.M. to 1.00 P.M. on any working day till the date of the meeting.

Registered Office
'Delton House'
4801, Bharat Ram Road,
24, Daryaganj,
New Delhi - 110 002
Dated : 28th August 2001.

By Order of the Board

B.K. SHARMA
Company Secretary

Dekon Cables Limited**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors have pleasure in presenting their Thirty Sixth Annual Report together with the Audited Accounts for the year ended 31st March 2001.

FINANCIAL HIGHLIGHTS

The working results for the year ended 31st March 2001 are as under:

(Rs. in Million)

Profit before Depreciation	47.502
Less : Depreciation	6.519
Profit before taxation	40.983
Less : Provision for taxation	11.628
Profit after Income Tax & Wealth Tax	29.355
Add : Provision for earlier year	0.001
Add : Balance brought forward from the previous year	73.992
Profit available for appropriations	103.348

APPROPRIATIONS

Transfer to General Reserve	2.050
Proposed Dividend	4.320
Tax on Proposed Dividend	0.441
Balance carried forward	96.537

PERFORMANCE

The performance of the company was excellent during the year. Turnover during the year was Rs. 1021.71 million as compared to previous year's turnover of Rs. 862.24 million showing an increase of Rs. 159.47 million.

Profit during the year was Rs. 29.35 million as compared to Rs. 28.55 million showing an increase of 0.80 million over the previous year.

DIVIDEND

Your Directors are pleased to recommend dividend @ Rs. 1.50 per share for the year ended 31st March 2001 on 2,880,000 equity shares of Rs. 10.00 each.

INDUSTRIAL RELATIONS

Industrial relations remained cordial during the year.

DIRECTORS

Shri M.P. Mehrotra and Shri A Karati, Directors are retiring by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

Shri V.K. Gupta was re-appointed as Managing Director of the Company w.e.f. 01.06.2001 subject to the approval of Shareholders.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- That in the preparation of the accounts for the financial year ended 31st March 2001, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of profit or loss of the Company for the year under review;

- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the Directors have prepared the accounts for the financial year ended 31st March 2001 on a 'going concern' basis.

FIXED DEPOSITS

The Company has not accepted any deposits during the year.

AUDITORS

M/s. S.R. Dinodia & Co., Chartered Accountants, New Delhi, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them for the Financial year 2001-02. M/s. S.R. Dinodia & Co., have, under section 224 (1) (B) of the Companies Act, 1956, furnished a certificate of their eligibility for re-appointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are annexed to this report as Annexure- I.

REPLY TO THE QUALIFICATION IN THE AUDITORS REPORT

As mentioned in clause 2(f) of the Auditors' Report your Directors want to clarify that the writ petition was filed in the year 1998, which was dismissed by the honorable High Court of Delhi. In response of which an arbitration application has been filed with the honorable High Court of Delhi. The honorable High Court has appointed a sole arbitrator. Your Directors are of the opinion that the amount will be recovered from the party.

EMPLOYEES

Disclosure required under Section 217(2A) of the Companies Act 1956 is annexed to this Report as Annexure- II.

ACKNOWLEDGEMENT

Your directors wish to record their warm appreciation for the valuable services rendered by the employees of the company at all levels. Your Directors also wish to acknowledge the co-operation and help of Bankers, Financial Institutions, and all our customers, suppliers, and shareholders.

For & on behalf of the Board of Directors

Place : New Delhi

Dated : 28th August 2001

R.K. GUPTA

Chairman & Managing Director

**ANNEXURE I TO DIRECTORS' REPORT
COMPANIES (DISCLOSURE OF PARTICULARS IN
THE REPORT OF BOARD OF DIRECTORS)
RULES, 1988:****A. Conservation of Energy****a) Energy Conservation measures taken:**

Greater emphasis has been laid on creating awareness amongst all employees for the optimal utilisation of Power and to prevent misuse of energy at all levels.

Dalton Cables Limited

- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:
Efforts are on in the direction of reducing energy consumption.
- c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:
Impact has not been measured.
- d) Total energy consumption and energy consumption per unit of production in respect of industries specified in the Schedule thereto:
Not applicable.

B. Technology Absorption

- e) Efforts made in technology absorption as per Form B is given below:

Research & Development (R & D)

- Specific areas in which R & D efforts have been put in by the Company are:
 - Development of Feeder Cables which are required by Department of Telecommunication for their multi access rural radio system.
 - Development of Polythene Insulated Jelly Filled Cables.
 - Development of switchboard Cables.
- Benefits derived as a result of the above R & D:
All the items mentioned above have been taken in actual production and successfully introduced in the market.
- Future plan of action:
The company is having an ongoing process of research & development to develop new types of cables for

special use at Nuclear/Thermal Power Plants & for Telecommunications use.

- Expenditure on R & D : NIL

C. Technology Absorption, Adaptation and Innovation

- Efforts in brief, made towards technology absorption, adaptation and innovation:
Efforts for Development and Innovation for further improvements and product up-grading are going on.
- Benefits derived as a result of the efforts:
Quality improvement, cost reduction, product development, import substitution and better consumer satisfaction.
- Technology imported during the last 5 years :
NIL

D. Foreign Exchange Earnings and Outgo:

- f) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans:

The company is targetting growth in exports. It is exploring new markets overseas to expand the product base.

- g) Total foreign exchange used and earned:

(Rs. in Million)

(i) Earning by way of	
(a) Exports (FOB) :	2.792
(b) Deemed Export (FOB) :	1.138
(c) Services(Commission) :	NIL
(ii) Outgo by way of imports :	
(a) CIF Value of imports :	6.633
(b) Travelling & Others :	1.602

INFORMATION OF EMPLOYEES AS PER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 FOR THE YEAR ENDED 31ST MARCH, 2001 AS ANNEXURE -II

Name	Age	Qualification	Designation/ Nature of Duties	Date of Appointment	Experience (Yrs.)	Remuneration Gross (Rs.)	Previous Employment
Employees who were employed through out the year and were in receipt of remuneration in aggregate of not less than Rs. 1,200,000 for the year.							
Gupta R. K.	82	Technical knowledge Practical Experience	Chairman & Managing Director	16.08.1969	61	1,635,757	Industrialist
Gupta V. K.	62	Technical knowledge	Managing Director	01.09.1969	44	1,438,152	Industrialist
Gupta Vivek	33	B. Com (Hons.)	Executive Director	10.06.1989	12	1,213,092	Industrialist

Notes: -

- Remuneration includes Salary, Bonus, various allowances, contribution to Provident Fund and taxable value of perquisites but excludes Gratuity and Superannuation.
- All appointments are contractual and are subject to the Rules and Regulations of the company in force from time to time.
- Shri R. K. Gupta, Shri V. K. Gupta, and Shri Vivek Gupta themselves are the Directors of the company.

For & on behalf of the Board of Directors

Place : New Delhi
Dated : 28th August 2001

R.K. GUPTA
Chairman & Managing Director

Delton Cables Limited**AUDITORS' REPORT**

To the Share Holders of **M/S DELTON CABLES LIMITED**

We have audited the attached Balance sheet of **M/S DELTON CABLES LIMITED**, as at **31st March, 2001** and also the annexed Profit & Loss Account for the year ending on that date and report that-

- 1) As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board, in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order in so far as they are applicable to the Company.
- 2) Further to our comments in the annexure referred to in paragraph 1 above :-
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Company's Balance Sheet and the Profit & Loss Account dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Profit & Loss Account and Balance Sheet complied with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) As per the information and explanation given to us, and communication received from the Directors, none of the director of the company is disqualified as at 31.03.2001 from being appointed as Director under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) We are unable to express an opinion on the recoverability or otherwise and the consequential effect if any, on the profit and loss account in respect of old outstanding aggregating to Rs. 91.12 lacs due from a customer and included under the head sundry debtors over six months unsecured and considered good in schedule '8' (Refer to Note No. 5)

Subject to the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :

 - i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2001 and
 - ii) in the case of the Profit & Loss Account of the Profit for the year ended on that date.

For **S.R. DINODIA & CO.**,
Chartered Accountants

Place : New Delhi
Dated: 28th August, 2001

(**SANDEEP DINODIA**)
Partner

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE OF THE ACCOUNTS OF DELTON CABLES LIMITED FOR THE YEAR ENDED ON 31ST MARCH, 2001.

- i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets of the company have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on verification of the assets.
- ii) The company has not revalued any of its fixed assets during the year.
- iii) As explained to us, physical verification of finished goods, stores, spare parts and raw materials has been conducted by the management at reasonable intervals. In respect of stocks lying with third parties, certificates have been obtained.
- iv) In our opinion, the procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- v) Discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.